

Message Text

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41

ACTION L-03

INFO OCT-01 ARA-06 ISO-00 SSO-00 NSCE-00 TRSE-00 EB-07

COME-00 SP-02 OPIC-03 CIAE-00 INR-07 NSAE-00 INRE-00

/029 W

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O 181705Z SEP 76

FM AMEMBASSY QUITO

TO SECSTATE NIACT IMMEDIATE 1595

INFO AMEMBASSY MANAGUA IMMEDIATE

AMEMBASSY SAN JOSE IMMEDIATE

C O N F I D E N T I A L QUITO 6735

MANAGUA PLEASE PASS TO ASST SECY SHLAUDERMAN

E.O. 11652: GDS

TAGS: ENRG PFOR EC

SUBJ: GOE--GULF OIL DISPUTE

REF: A) STATE 231069 B) STATE 229886

1. DEPARTMENT'S COMMENTS BY TELEPHONE TO WYCHE AND LUCAS (AS REPORTED IN REFTEL A) APPEAR TO HAVE BEEN VERY WELL REASONED AND STRONGLY PRESENTED, AND THE UNATTRIBUTABLE UNMARKED TEXT GIVEN TO GULF'S WASHINGTON OFFICE IS A MARKED IMPROVEMENT OVER THE TEXT PROPOSED BY GULF (REF B).

2. NEVERTHELESS, THE LETTER TO THE SUPREME COUNCIL WHICH THE LOCAL GULF REPRESENTATIVE GAVE ME THIS MORNING IS ONLY A SLIGHT IMPROVEMENT OVER THE TEXT GIVEN TO THE DEPARTMENT. IT INCORPORATES SUGGESTIONS A, E, AND F OF THE REFTEL, BUT IT RETAINS THE "SPECIAL ACCOUNT" UNDER GULF'S CONTROL.

3. THE GULF REPRESENTATIVE SAID THAT HE HIMSELF DOES NOT BELIEVE THE GULF OFFER IS ADEQUATE AND HE HAS RECOMMENDED TO HIS SUPERIORS THAT THE OFFER BE CHANGED TO CONVERT THE SPECIAL ACCOUNT INTO AN ASCROW ACCOUNT. HE HOPES TO RECEIVE A REPLY
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FROM CORAL GABLES BEFORE MONDAY AND WILL INFORM ME IMMEDIATELY

UPON RECEIVING IT.

4. WITH RESPECT TO CONSIDERATION WITHIN THE DEPARTMENT TO INSTRUCT ME TO FOLLOW-UP WITH KEY GOE OFFICIALS A FEW HOURS AFTER DELIVERY OF GULF'S LETTER, I WOULD STRONGLY OPPOSE SUCH ACTION. MY EFFECTIVENESS THUS FAR WITH GOE OFFICIALS HAS BEEN BASED UPON AN APPROACH IN WHICH I HAVE MADE VERY CLEAR MY DESIRE AND OBLIGATION TO PROTECT GULF'S INTERESTS BUT ALSO TO SAFEGUARD THE TOTALITY OF US-ECUADORIAN RELATIONS. THIS HAS, I BELIEVE, CAUSED THE GOE TO PERCEIVE MY ROLE AS ONE OF OBJECTIVITY AND IMPARTIALITY, RATHER THAN AS THE ADVOCATE ONLY OF GULF. TO RUSH IN AND SUPPORT THE GULF PROPOSAL A FEW HOURS AFTER ITS PRESENTATION WOULD SERVE I BELIEVE, TO DIMINISH MY INFLUENCE WITH THE GOE ON THIS PROBLEM. MOREOVER, IT IS VERY POSSIBLE THAT THE GOE WILL CALL ME IN TO DISCUSS THE PROPOSAL EARLY NEXT WEEK. IF NOT, IT MAY BE WORTHWHILE FOR ME TO SEEK APPOINTMENTS WITH KEY GOE OFFICIALS A FEW DAYS LATER TO AGAIN TRY TO MOVE THE DISPUTE FURTHER TOWARD SOLUTION, BUT I WOULD PREFER TO WAIT UNTIL THE DUST HAS SETTLED BEFORE MAKING SUCH A DECISION.

BLOOMFIELD

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NNN

Message Attributes

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Decaption Date: 01 JAN 1960
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Margaret P. Grafeld
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04 MAY 2006

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